

Senate Engrossed House Bill

State of Arizona  
House of Representatives  
Fifty-second Legislature  
Second Regular Session  
2016

**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

CHAPTER 241

# **HOUSE BILL 2371**

AN ACT

AMENDING SECTION 32-3021, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2011, CHAPTER 141, SECTION 1; AMENDING SECTION 32-3021, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2015, CHAPTER 262, SECTION 20; REPEALING SECTION 41-3016.07, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3024.09; RELATING TO THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-3021, Arizona Revised Statutes, as amended by  
3 Laws 2011, chapter 141, section 1, is amended to read:

4 32-3021. Private vocational program license: qualifications:  
5 provision of information: exemptions

6 A. A person shall not operate a private vocational program unless the  
7 person holds a private vocational program license issued pursuant to this  
8 chapter. Each program offered by a private vocational program licensee shall  
9 be authorized on a private vocational program license. The board shall  
10 prescribe the manner in which the programs shall be identified on the  
11 license.

12 B. An applicant for a private vocational program license shall meet  
13 all of the following requirements:

14 1. Furnish a letter of credit, surety bond or cash deposit as provided  
15 in section 32-3023.

16 2. Make specific information concerning educational programs,  
17 including statements of purpose, objectives, course of study, policies, fees  
18 and other pertinent information, available to prospective students and the  
19 general public.

20 3. Be financially responsible and have management capability.

21 4. Maintain a qualified faculty.

22 5. Maintain facilities, equipment and materials that are appropriate  
23 for the stated program. All facilities shall meet applicable state and local  
24 health and safety laws.

25 6. Maintain appropriate records as the board prescribes that are  
26 properly safeguarded and preserved.

27 7. Use only advertisements that are consistent with the information  
28 made available as provided in paragraph 2 of this subsection.

29 8. Provide courses of instruction that meet stated objectives.

30 9. Provide a grievance procedure for students.

31 10. Comply with all federal and state laws relating to the operation  
32 of a private postsecondary educational institution.

33 11. Other requirements the board deems necessary.

34 C. An applicant for a private vocational program license shall submit  
35 evidence of meeting the requirements prescribed in subsection B of this  
36 section to the board. The board shall verify the evidence submitted.  
37 Verification shall include on-site verification.

38 D. The filing of an application grants the board the authority to  
39 obtain information from any of the following:

40 1. A licensing board or agency in any state, district, territory or  
41 county of the United States or any foreign country.

42 2. The Arizona criminal justice information system as defined in  
43 section 41-1750.

44 3. The federal bureau of investigation.

1 E. The board, on application, may issue a private vocational program  
2 license to a new educational institution as provided in this section, except  
3 that the board shall establish separate minimum standards for licensure  
4 requirements of new educational institutions. These minimum standards may  
5 include the modification of licensure requirements as provided in subsection  
6 B, paragraphs 3, 5, 6, 7 and 8 of this section to meet the circumstances of  
7 new educational institutions. THE BOARD, ON APPLICATION, MAY ISSUE A PRIVATE  
8 VOCATIONAL PROGRAM LICENSE TO AN EDUCATIONAL INSTITUTION OTHERWISE EXEMPT  
9 UNDER SUBSECTION F OF THIS SECTION. The board shall monitor the new  
10 educational institution to ensure compliance with the licensure requirements.  
11 The board shall issue a private vocational program license as provided in  
12 this subsection one time only to new educational institutions.

13 F. This section does not apply to any of the following:

14 1. A school licensed pursuant to chapter 3 or 5 of this title.  
15 2. An instructional program or course sponsored by a bona fide trade  
16 association solely for its members.

17 3. Privately owned academic schools engaged in the process of general  
18 education that is designed to produce a level of development equivalent to  
19 that necessary to meet the requirements for entrance into a public community  
20 college or public university in this state and that may incidentally offer  
21 technical and vocational courses as part of the curriculum.

22 4. Schools or private instruction conducted by any person engaged in  
23 training, tutoring or teaching individuals or groups, if the instruction is  
24 related to hobbies, avocations, academic improvement or recreation and may  
25 only incidentally lead to gainful employment ~~and if the instruction is for a~~  
26 ~~period of under forty hours and costs less than one thousand dollars.~~

27 5. Schools conducted by any person solely for training the person's  
28 own employees.

29 6. An instructional program or course offered solely for employees and  
30 for the purpose of improving the employees in their employment if both of the  
31 following apply:

32 (a) The employee is not charged a fee.

33 (b) The employer provides or funds the program or course pursuant to a  
34 valid written contract between the employer and a program or course provider.

35 7. Training conducted pursuant to 14 Code of Federal Regulations  
36 part 141.

37 8. A school that solely provides an instructional program for  
38 certified nursing assistants and is licensed by the nursing board pursuant to  
39 section 32-1606, subsection B, paragraph 11.

40 9. A professional driving training school licensed by the department  
41 of transportation pursuant to chapter 23, articles 1, 2 and 3 of this title.

42 10. A training program approved by the board of examiners of nursing  
43 care institution administrators and assisted living facility managers that  
44 solely provides training for managers and caregivers of assisted living  
45 facilities.

1       Sec. 2. Section 32-3021, Arizona Revised Statutes, as amended by Laws  
2       2015, chapter 262, section 20, is amended to read:

3       32-3021. Private vocational program license; qualifications;  
4       provision of information; exemptions

5       A. A person shall not operate a private vocational program unless the  
6       person holds a private vocational program license issued pursuant to this  
7       chapter. Each program offered by a private vocational program licensee shall  
8       be authorized on a private vocational program license. The board shall  
9       prescribe the manner in which the programs shall be identified on the  
10      license.

11      B. An applicant for a private vocational program license shall meet  
12      all of the following requirements:

13          1. Furnish a letter of credit, surety bond or cash deposit as provided  
14      in section 32-3023.

15          2. Make specific information concerning educational programs,  
16      including statements of purpose, objectives, course of study, policies, fees  
17      and other pertinent information, available to prospective students and the  
18      general public.

19          3. Be financially responsible and have management capability.

20          4. Maintain a qualified faculty.

21          5. Maintain facilities, equipment and materials that are appropriate  
22      for the stated program. All facilities shall meet applicable state and local  
23      health and safety laws.

24          6. Maintain appropriate records as the board prescribes that are  
25      properly safeguarded and preserved.

26          7. Use only advertisements that are consistent with the information  
27      made available as provided in paragraph 2 of this subsection.

28          8. Provide courses of instruction that meet stated objectives.

29          9. Provide a grievance procedure for students.

30          10. Comply with all federal and state laws relating to the operation  
31      of a private postsecondary educational institution.

32          11. Other requirements the board deems necessary.

33      C. An applicant for a private vocational program license shall submit  
34      evidence of meeting the requirements prescribed in subsection B of this  
35      section to the board. The board shall verify the evidence submitted.  
36      Verification shall include on-site verification.

37      D. The filing of an application grants the board the authority to  
38      obtain information from any of the following:

39          1. A licensing board or agency in any state, district, territory or  
40      county of the United States or any foreign country.

41          2. The Arizona criminal justice information system as defined in  
42      section 41-1750.

43          3. The federal bureau of investigation.

1 E. The board, on application, may issue a private vocational program  
2 license to a new educational institution as provided in this section, except  
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4 requirements of new educational institutions. These minimum standards may  
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8 VOCATIONAL PROGRAM LICENSE TO AN EDUCATIONAL INSTITUTION OTHERWISE EXEMPT  
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11 The board shall issue a private vocational program license as provided in  
12 this subsection one time only to new educational institutions.

13 F. This section does not apply to any of the following:

14 1. A school licensed pursuant to chapter 3 or 5 of this title.  
15 2. An instructional program or course sponsored by a bona fide trade  
16 association solely for its members.

17 3. Privately owned academic schools engaged in the process of general  
18 education that is designed to produce a level of development equivalent to  
19 that necessary to meet the requirements for entrance into a public community  
20 college or public university in this state and that may incidentally offer  
21 technical and vocational courses as part of the curriculum.

22 4. Schools or private instruction conducted by any person engaged in  
23 training, tutoring or teaching individuals or groups, if the instruction is  
24 related to hobbies, avocations, academic improvement or recreation and may  
25 only incidentally lead to gainful employment ~~and if the instruction is for a~~  
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27 5. Schools conducted by any person solely for training the person's  
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29 6. An instructional program or course offered solely for employees and  
30 for the purpose of improving the employees in their employment if both of the  
31 following apply:

32 (a) The employee is not charged a fee.

33 (b) The employer provides or funds the program or course pursuant to a  
34 valid written contract between the employer and a program or course provider.

35 7. Training conducted pursuant to 14 Code of Federal Regulations  
36 part 141.

37 8. A school that solely provides an instructional program for  
38 certified nursing assistants and licensed nursing assistants and is licensed  
39 by the nursing board pursuant to section 32-1606, subsection B, paragraph 11.

40 9. A professional driving training school licensed by the department  
41 of transportation pursuant to chapter 23, articles 1, 2 and 3 of this title.

42 10. A training program approved by the board of examiners of nursing  
43 care institution administrators and assisted living facility managers that  
44 solely provides training for managers and caregivers of assisted living  
45 facilities.

1       Sec. 3. Repeal

2       Section 41-3016.07, Arizona Revised Statutes, is repealed.

3       Sec. 4. Title 41, chapter 27, article 2, Arizona Revised Statutes, is  
4 amended by adding section 41-3024.09, to read:

5       41-3024.09. State board for private postsecondary education;  
6                   termination July 1, 2024

7       A. THE STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION TERMINATES ON  
8 JULY 1, 2024.

9       B. TITLE 32, CHAPTER 30 IS REPEALED ON JANUARY 1, 2025.

10      Sec. 5. Purpose

11      Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,  
12 the legislature continues the state board for private postsecondary education  
13 to license and regulate private postsecondary education programs to promote  
14 the public welfare.

15      Sec. 6. Retroactivity

16      Sections 3 and 4 of this act are effective retroactively to July 1,  
17 2016.

18      Sec. 7. Effective date

19      Section 32-3021, Arizona Revised Statutes, as amended by Laws 2015,  
20 chapter 262, section 20 and this act, is effective from and after June 30,  
21 2016.


APPROVED BY THE GOVERNOR MAY 12, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2016.

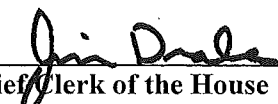
Passed the House March 3, 20 16

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

  
\_\_\_\_\_  
Speaker of the House

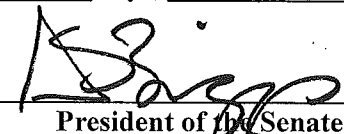
☒ Pro Tempore

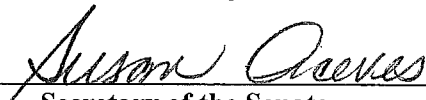
  
\_\_\_\_\_  
Chief Clerk of the House

Passed the Senate March 31, 20 16

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR**

This Bill received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE**

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

H.B. 2371

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

May 7, 2016

by the following vote: 54 Ayes,

0 Nays, 6 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

9th day of May, 2016,

at 9:54 o'clock A. M.

[Signature]  
Secretary to the Governor

Approved this 12th day of

May, 2016,

at 9:46 o'clock A. M.

[Signature]  
Governor of Arizona

H.B. 2371

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 13 day of May, 2016

at 8:35 o'clock A M.

[Signature]  
Secretary of State